



North Carolina Department of Health and Human Services

Division of Social Services

325 North Salisbury Street • Raleigh, North Carolina 27603

Courier # 56-20-25

James B. Hunt, Jr., Governor
H. David Bruton, M.D., Secretary

Kevin M. FitzGerald, Director
(919) 733-3055

November 24, 1999

Dear County Director of Social Services

Attention: Children's Services Program Administrators and Supervisors
Children's Services Social Workers
Subject: TANF (TEA) Funded Foster Care Maintenance Payments

We are pleased to inform you that beginning with the November, 1999 month of service (to be reported for reimbursement by December 20th), foster care maintenance payments for non-IV-E children who are TANF (TEA) eligible and are placed in licensed homes or facilities are reimbursable through your TANF allocation. To avoid potential confusion with Work First program requirements, 100% federal TANF funding and associated eligibility requirements for child welfare services will be referred to as TEA. Please refer to the Dear County Director Letter dated September 28, 1999 for TEA eligibility requirements. At the time of TEA eligibility determination, the child must be experiencing an emergency/crisis situation and must have lived with a specified relative within six months of the date of eligibility determination.

This letter contains the basic guidelines for the use of TEA funds for foster care maintenance payments and instructions for completing the DSS 5094 (Child Placement and Payment System). As always, the DSS 5094 data must be keyed into the system by the 20th day of the month following the month of service. No foster care maintenance payments will be reimbursed with TEA funds prior to the November, 1999 month of service.

Use of TEA Funds for Foster Care Maintenance Payments

The following guidelines apply to the use of TEA funds for foster care maintenance payments.

1. Foster care maintenance payments for IV-E eligible children must continue to be made through IV-E.
2. TEA eligibility must be documented in the case record prior to the use of TEA funds. All eligibility requirements must be met as of the date of eligibility determination.
3. Three emergency situations commonly relate specifically to child welfare:
 - Abuse, neglect, or dependency of children;
 - Situation in which a child is at risk of removal from the home;
 - Situation in which return to the home of a child who is currently separated from his family may create an emergency.
4. TEA foster care maintenance payments may not extend beyond 364 days.
5. Just as in the IV-E program, TEA funds claimed through the DSS-5094 can be used to support foster care maintenance payments only, and may

not include residential treatment costs.

6. To be eligible for TEA, a child must have lived with a specified relative within six months of the date of eligibility determination.
7. Retroactive eligibility determination is not allowed.

Counting the Eligibility Time Period

The beginning date for the 364 day period is the date that the child is determined TEA eligible. Note the following examples:

Example 1: A child entered a non-relative out-of-home placement on March 15, 1999. The child is not IV-E eligible and the foster care maintenance payments are being supported by the State Foster Home Fund program. The county DSS wants to begin using TEA funds to support foster care maintenance payments beginning November 29, 1999 and determines TEA eligibility on this date. Because the child has not lived with a specified relative within six months of November 29, 1999, he is not TEA eligible and TEA funds may not be used to support the payments.

Example 2: A child is determined TEA eligible on November 30, 1999 and TEA-funded Individual and Family Adjustment Services are initiated on that date. On December 5, 1999 the child enters foster care through a Voluntary Placement Agreement and has been determined to not be IV-E eligible. In this example, the 364 days must be counted from November 30, 1999; consequently the date of November 30, 1999 must be entered in Field 54 on the DSS 5094.

Example 3: A CPS investigative assessment case decision involving Johnny Smith was made on November 15, 1999. The county DSS staff began providing CPS Case Planning and Case Management Services funded with IV-E. A subsequent report received on December 10th resulted in the removal of the child on December 10th. The child is not eligible for IV-E foster care maintenance payments, and the family was determined TEA eligible on December 10th. The use of TEA funds to make foster care maintenance payments may not exceed 364 days from December 10, 1999.

Example 4: (continued from 3 above) Johnny Smith returns home for a trial visit on January 15, 2000 but must return to a licensed foster care facility on February 10, 2000. The use of TEA funds to make foster care maintenance payments may still not exceed 364 days from December 10, 1999.

Example 5: (continued from 4 above) Johnny Smith has been in out-of-home placement and the court returns legal custody to the parents on March 12, 2000. The DSS social worker completes the DSS 5094 closing the case and the agency terminates services on the DSS-5027. A new CPS report involving Johnny is received on April 1, 2000 and is substantiated on April 30th. Johnny is removed through a non-secure custody order and is determined ineligible for IV-E foster care maintenance payments but eligible for TEA foster care maintenance payments on this date. The use of TEA funds to make foster care maintenance payments may not exceed 364 days from April 30, 2000. The fact that agency services were terminated prior to the new report makes this a new emergency.

Reimbursement of TEA Funds

As described below, there are several important factors that determine the amount of allowable TEA reimbursement for foster care maintenance payments.

1. TEA reimbursement is only allowable for children who are not IV-E eligible.
2. Federal regulations prohibit differential payment rates for IV-E and non-IV-E children.
3. IV-E Maximization does not change because TEA reimbursement is not allowable for IV-E eligible foster children.
4. For a TEA eligible child placed in a licensed child care facility that has an established Facility Rate, the county DSS will receive 100% TEA reimbursement of the amount that they pay, not to exceed the Facility Rate.
5. For a TEA eligible child in a residential child care facility that has no established Facility Rate, there will be no TEA reimbursement above the Standard Board Rate. This is consistent with the IV-E reimbursement policies and procedures.
6. For a TEA eligible child in a residential child care facility that has an established Facility Rate, but the county DSS does not pay up to the Facility Rate, TEA reimbursement to the county will be made only for the amount that the county actually pays.
7. TEA payments will be considered the same as State Foster Home Fund payments for purposes of State Funds Program benefits for participating private child caring agencies.

8. If a TEA eligible child is in a DSS family foster home, reimbursement will be made at 100% of the amount the county actually pays for care.
9. If the child has resources that are used toward his cost of care and the county DSS enters the amount of the resources in Field 56, the amount of the resources will be deducted before any TANF reimbursements are made.
10. TEA reimbursement cannot be made on behalf of a child who is also receiving HRI-R services funded through Medicaid during the same month. This is consistent with the IV-E reimbursement policies and procedures.

Completion of the DSS 5094

When the child's TEA eligibility has been determined and documented, take the following steps to complete the DSS 5094:

- In Field 54 entitled "EA Elig," document the month, day and year that TEA eligibility began. The CPPS system contains an edit that will not allow TEA reimbursement beyond the 364th day. Following the last FULL MONTH of TEA eligibility, CPPS will automatically convert TEA funding status to State Foster Home Fund funding status.
- In Field 55 entitled "Funding Source," draw a box to the immediate right of the box marked "State," and write "TEA" beside the newly drawn box. Then enter an "X" in the new box. For data entry purposes, the display screen will display the TEA box.
- County DSS staff must continue to enter in Field 56 the amount of the child's resources that are used toward the cost of care.

Important Note: It will be very important for county DSS fiscal staff to closely monitor the availability of the county's TEA funds for foster care maintenance payments and other child welfare services through the monthly XS 411 Report and/or other available methods. A new report (PQA 022-2) has been generated to reflect the amount of TEA reimbursement to the county above the Standard Board Rate. The monthly PQA 020 will reflect the amount of reimbursement up to the Standard Board rate.

If you have questions regarding TEA eligibility, please contact Hope Hunt at (919) 733-4622. If you have questions regarding completion of the DSS 5094, please contact Kay Becknel at (919) 733-7675.

Sincerely,
Charles C. Harris, Chief
Children's Services Section

CCH:EHH

cc: Kevin FitzGerald
Karen Anderson
Children's Services Team Leaders
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